

## EFFECT OF DAILY INCENTIVES AND MONTHLY INCENTIVES ON PERFORMANCE OF CONVENTIONAL TAXI DRIVERS

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### ABSTRACT

*This study aims to determine the level of conformity between the Influence of Daily Incentive Assessment Relations and Monthly Incentives to the Performance of conventional taxi drivers. In line with the problem and hypothesis of the research, this research is conducted by using survey design that is research that take sample from one population and use questionnaire as the main data collection tool. In this study using a sample of 80 conventional taxi drivers. The sampling technique in this research is using proportional random sampling technique. Quantitative analysis in this research will be used validity test and reliability test with Cronbach's Alpha. Classic assumption tests include heteroscedasticity test and normality test. To test the hypothesis using multiple linear regression. All tests use the SPSS 18 computer program. The results show that the alternative hypothesis ( $H_a$ ) is acceptable and the null hypothesis ( $H_0$ ) is rejected, the greatest effect is Daily Incentive ( $X_1$ ) = (1,599) and followed by Monthly Incentive ( $X_2$ ) = (1,599) against the performance of conventional taxi drivers ( $Y$ ).  $R^2$  of 0.626 (62.6%) shows that 62.6% student achievement variable can be explained that Daily Incentive ( $X_1$ ), and Monthly Incentive ( $X_2$ ) while the remaining 37.4% other explained other variable not included in model this research.*

**Keywords:** Daily Incentives, Month Incentives, and Performance

### INTRODUCTION

Social change can sometimes be known, but often unplanned, With the growing number of smart phone users. Conventional taxi firms need to keep up with the times to stay behind with application-based or online transportation accommodations. Conventional taxis need to jump and play by utilizing Internet-based information technology and use applications that are integrated with smart phones (smartphones). Slowly but surely, public trust began to resume, because there was a policy on the revision of the Ministerial Regulation of PM No. 26 of the Minister of Domestic Affairs dated April 1, 2017 as a revision of the Regulation of the Minister of Transportation No. 32 of 2016 on "Transportation of People with Public Motor Vehicles Not In Tracek" and about tariff reduction from company management. So that when calculated, the rate between conventional taxis and taxi fares online is not much different. It can even be said that application-based taxi fares are sometimes more expensive.

For conventional taxi companies, the increasing performance of conventional taxi drivers is not only determined by large numbers of human resources. Because without a high morale, conventional taxi drivers will not be able to work properly, effectively and efficiently. Therefore, every company must be able to provide motivation or encouragement to conventional taxi drivers in order to avoid unmet demand, which can degrade the morale of conventional taxi drivers.

One way to improve the productivity of conventional taxi drivers' performance is to motivate conventional taxi drivers by providing sufficient incentives. There are many factors that influence the performance of conventional taxi drivers that can be grouped into two factors:

internal influence is the influence of within the human self itself and external influences that influence from outside human, such as strong environmental influence on the performance of conventional taxi drivers.

Based on the problems encountered and the above ideas, the authors feel interested to conduct research related to the title formula: "EFFECT OF DAILY INCENTIVES AND MONTHLY INCENTIVES ON PERFORMANCE OF CONVENTIONAL DRIVERS"

### **LITERATURE REVIEW**

To support this research, it is necessary to find the theoretical basis and method of research used for the research to run smoothly, According to Sugiyono (2013: 52) that the theoretical basis should be enforced so that this research has a solid foundation, and not just trial and error. Here are the previous theories and research that will serve as guidelines used and support this research

#### **Human Resource Management**

Human Resource Management can be summed up as a science and art that governs relationships and the role of labor to be effective and efficient in achieving organizational goals. One of the important factors to be considered in Human Resource Management is organizational commitment. If employees have a high commitment then employees have a tendency to have a sense of satisfaction in a high job so that a positive impact on employee performance.

#### **Incentive**

The incentive is income outside the basic salary that the company gives to the employee by calculating the work achieved, so that employees are encouraged to improve achievement in order to achieve productivity and work results in accordance with company goals. Incentives can also be expected to retain outstanding employees to keep working in the company concerned.

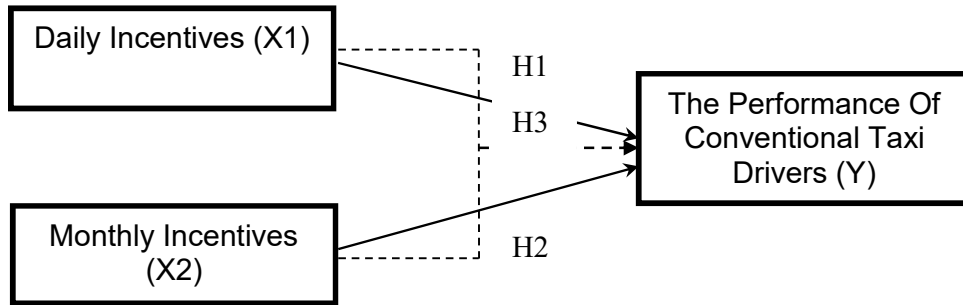
According to Suwatno and Donni (2011: 236-237) the factors that influence the magnitude of incentives include: 1) Position or position, 2) Achievement of work and 3) Discipline. The Purpose of Incentives for the company are : a) Employees work more spirit and fast, b) Employees Work more disciplined and c) Employees Work more creatively ; and for the existence of employee incentives will bring benefits : a) The productivity standard can be measured quantitatively, b) The above productivity standard may be used as the basis for remuneration measured in the form of money and c) Employees must be more active in order to receive more money.

According Mangkunegara (2010: 67) Performance (job performance) is the work of quality and quantity achieved by an employee in performing their duties in accordance with the responsibilities given to him. Factors that affect the achievement of performance is a factor of ability and motivation factor. This is in accordance with the According to which formulates that :

- 1) Human performance = Ability + Motivation
- 2) Motivation = Attitude + Situation
- 3) Ability = Knowledge + Skill

#### **Conceptual Framework**

The conceptual framework is a logical construction arrangement set out in order to explain the variables studied. Where, the framework is formulated to explain the construction of logical flow to systematically examine empirical reality. This conceptual framework or framework is intended to clarify the variables studied so that the measurement elements can be specified in detail.



**Deskription:**

- Partial
- - - - -→ Simultan

**Figure 1. Research Framework Conceptual**

**Hypothesis**

Hypothesis according to Arikunto (2012: 154) is a temporary answer to the problem of research until proven through the data collected. Hypothesis is a conjecture that becomes a temporary answer to the problem of research that needs to be tested the truth using the hypothesis as follows :

- H1 : Daily Incentives partially affect the performance of conventional taxi drivers.
- H2 : Monthly Incentives partially influence the performance of conventional taxi drivers.
- H3 : Daily Incentives and Monthly Incentives have an effect simultaneously on the performance of conventional taxi drivers.

**RESEARCH METHODS**

The method used in this research using quantitative research methods. Quantitative research method is one type of research that the specification is systematic, planned, and structured clearly from the beginning to the design of research. The population in this research is a conventional taxi drivers that add up to 350 people. While the number of the sample slovin's formula using the research so that the number of samples obtained as many as 80 people respondents. Sampling techniques using Incidental Sampling, where the author selects the sample based on coincidence, i.e., anyone who by chance meets with investigators can be used as samples.

The variables in this study are:

1. Daily Incentives ( $X_1$ ) with indicator a. Presence bonus, b. Bonus Commission from Argo, c. Bonus orderly schedule
2. Monthly Incentives ( $X_2$ ) with indicator a. Presence Bonus, b. Sembako
3. The Performance Of Conventional Taxi Drivers (Y) with indicator : a. The responsibility, b. Discipline, c. Honesty, d. Commitment

For measuring process, the author using questioners that using Likert scale. Multiple linear regression analysis is used to find out the extent to which free variables that affect variables bound. Where the variables are free from this research is a daily Incentive ( $X_1$ ), and Monthly Incentives ( $X_2$ ) while the independent variable is conventional Taxi Driver Performance (Y).

**DISCUSSION**

**Table 1. Classification Of Respondents Based On Age**

	Frequency	Percent	Valid Percent	Cumulative Percent
36-40 y.o	10	12.5	12.5	12.5
41-45 y.o	17	21.2	21.2	33.8
46-50 y.o	41	51.2	51.2	85.0
> 51 y.o	12	15.0	15.0	100.0
Total	80	100.0	100.0	

Source: primary Data processed

From the table above can be concluded that the majority of respondents Conventional Taxi Driver with the most age at 46-50 years with 41 respondents with 51.2%, respondents Conventional Taxi Driver with age 41-45 years with the number of 17 respondents with a percentage of 21.2 %, respondents Conventional Taxi Driver with age > 51 years from 12 respondents with 15%, minority of respondents with age 36-40 years from 10 respondents with 12,5%.

**Table 2. Classification Of Respondents Based On Education**

	Frequency	Percent	Valid Percent	Cumulative Percent
	6	7.5	7.5	7.5
	19	23.8	23.8	31.2
	55	68.8	68.8	100.0
	80	100.0	100.0	

Source: primary Data processed

From the above table it can be concluded that the majority of respondents who have high school education amounted to 55 respondents with the percentage of 68.8%, respondents with junior high education amounted to 19 respondents with 23.8%, and respondents with elementary education amounted to 6 respondents with percentage of 7.5%.

**Table 3. Classification of Respondents Based Length of work**

	Frequency	Percent	Valid Percent	Cumulative Percent
2 - 5 years	29	36.2	36.2	36.2
6 - 9 years	43	53.8	53.8	90.0
10 - 13 years	8	10.0	10.0	100.0
Total	80	100.0	100.0	

Source: primary Data processed

From the above table it can be concluded that the respondents worked for 6-9 years old amounted to 43 respondents with the percentage of 53.8%, the respondents worked for 2-5 years old amounted to 29 respondents with 36.2% percentage, and respondents worked for 10-13 year amounted to 8 respondents with a percentage of 10%.

**The Results Of Hypothesis Testing**

**1) Partial Test**

**Table 4. Coefficient Test Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.479	.336		1.425	.158
Daily Incentives (X1)	.580	.098	.514	5.905	.000
Monthly Incentives (X2)	.347	.081	.371	4.266	.000

a. Dependent Variable: The Performance Of The Driver (Y)

Source: Output Data SPSS V.18

Based on the table above, the partial test results are as follows:

- a) Based on the results of the partial test on the model of regression, retrieved the value of the variable significance of Incentives daily (X1) for  $0.000 < 0.05$  (the real significance level of the research). Besides, it can be seen also from the results of a comparison between the t count and the t table, t count shows the value of 5,905, whereas t table of the results of 1.991 looks that t count > t table i.e.  $5,905 > 1.991$ , then it can be inferred that the H0 rejected and Ha accepted, it means partially variable Incentives daily (X1) effect significantly to the performance of a conventional taxi drivers (Y), the hypothesis is accepted.

- b) Based on the results of the test t (partial) regression models, retrieved the value of the Monthly Incentive variable significance (X2) for  $0.000 < 0.05$  ( the real significance level of the research ). Besides, it can be seen also from the results of a comparison between the t count and the t table that shows the value of the t count of t table while 4.266 of 1.991. From those results look that t count > t table i.e.  $4,266 > 1.991$ , then it can be inferred that the  $H_0$  rejected and  $H_a$  accepted, it means partially variable Monthly Incentives (X2) effect significantly against the performance of a conventional taxi drivers (Y), the hypothesis is accepted.

**2) Simultaneous Test**

**Table 5. F Test ANOVA<sup>b</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	3.440	2	1.720	67.101	.000 <sup>a</sup>
Residual	1.974	77	.026		
Total	5.414	79			

a. Predictors: (Constant), Monthly Incentives (X2), Daily Incentives (X1)

b. Dependent Variable: The Performance Of The Driver (Y)

Source: Output Data SPSS V.18

According the results of hypothesis testing (test F) in the table above, the obtained value of the regression model simultaneously the significance of 0.000, this value is smaller than the significance level of 0.05 (5%), i.e.  $0.000 < 0.05$ . Besides, it can be seen also from the results of a comparison between the F count and the F table shows a value of F count 67.101 while F table of 3.115. From those results look that F count > F table. Then it can be inferred that the Daily Incentives (X1), and Monthly Incentives (X2) simultaneously effect significantly to the performance of a conventional taxi drivers (Y), the hypotheses is accepted.

**Table 6. Analysis Of The Coefficient Of Determination (R<sup>2</sup>) Model Summary<sup>b</sup>**

	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
	.797 <sup>a</sup>	.635	.626	.16011	2.002

a. Predictors: (Constant), Monthly Incentives (X2), Daily Incentives (X1)

b. Dependent Variable: The Performance Of The Driver (Y)

Source : Output Data SPSS V.18

Based on the test results the coefficient of determination in the table above, shows that the value of the Adjusted R2 of 0.626 which means that the dependent variable can be explained by the independent variable in this study of 0.626 or 62.6%, meaning that free variables have an influence against variables bound of 62.6%, while the rest amounted to 37.4% are influenced by other factors outside of this research.

Based on the data, we can say that :

- 1. A daily incentive (X1) effect on the performance of conventional taxi drivers (Y)**

The results of this study showed that a daily Incentive variable t count has the value of  $5,905 > t$  table 1.991 to the value of the probability of 0.000 means less than 0.05 then The hypothesis is accepted, meaning that there is a positive influence towards The Performance Of Conventional Taxi Drivers (Y). Positive regression coefficient, means the performance of conventional taxi drivers using daily issued incentives effectively and efficiently. And if these activities can continue to be done, then the performance of conventional high taxi drivers will be achieved.

### **2. Monthly incentives (X2) effect on the performance of a conventional taxi drivers (Y).**

The results of this research show that the monthly Incentive variable t count has the value of  $4,266 > t$  table 1.991 to the value of the probability of 0.000 means less than 0.05 so hypothesis is received, meaning that there is a positive and significant influence on performance of conventional taxi drivers. Positive regression coefficients, can be interpreted as that the company issued monthly incentives have an impact on the performance of conventional taxi drivers.

### **3. Daily Incentives (X1) and Monthly Incentives (X2), had simultaneous influence on performance of conventional taxi drivers (Y)**

The results of this study stated that Daily Incentives (X1) and Monthly Incentives (X2) simultaneously effect significantly to the performance of a conventional taxi drivers (Y). On the results of the analysis are performed using test-F (Simultaneous) can be seen that the significant value of  $0.000 < 0.05$  and F count  $> F$  table, then the hypothesis is accepted.

## **Conclusions and Suggestions**

### **Conclusions**

The conclusion based on the results are:

- 1) Daily incentive has a positive and significant effect on performance of conventional taxi drivers.
- 2) Monthly incentive has a positive and significant effect on performance of conventional taxi drivers.
- 3) Daily incentives and monthly incentives are simultaneously giving significant effect on performance of conventional taxi drivers.

### **Suggestions**

Based on the conclusion, here are some suggestions :

- 1) This research shows that the price or price of the taximeter can be vary that supports the existence of influence between the Daily Incentives and Monthly Incentives on Performance of Conventional Taxi Drivers that are accepted by the company, so that it is expected the company can continue to improve Daily Incentives and Monthly Incentives provided to partners or the driver to be more excited in working, because it affects more the performance of a conventional taxi drivers.
- 2) For further research, expected to further expand research using the same method but with different variables, different unit analysis, and different samples, so can be set some conclusions that support the theory and concepts generally accepted.

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